



Committee On Finance

Max Baucus, Ranking Member

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BAUCUS DISAPPOINTED WITH TREASURY'S CURRENCY REPORT

Incoming Finance Chairman will work on a new approach in 110th Congress

Washington, DC – U.S. Senator Max Baucus (D-Mont.), the incoming Chairman of the Senate Finance Committee, today promised a new approach to currency issues after the Treasury Department released its semiannual currency report. Baucus stated that the semiannual Treasury report, which did not find China manipulates its currency, is no longer a relevant tool to deal with currency issues. He said the report only assesses a country's status without offering solutions. China has not moved quickly enough to permit market forces to determine the value of its currency.

"I think that this report is a policy tool that has seen its day. It's time for a new approach and new tools," said Baucus. **"We all know that China's currency regime needs greater flexibility and market influence. And we all know that delaying these reforms is harmful to China's economy, the U.S. economy, and Sino-American ties."**

In the 109th Congress, Baucus worked with Senator Charles Grassley (R-Iowa) to draft legislation creating a series of new tools to address misaligned currencies that hurt the U.S. economy. Baucus promised that he will work with colleagues including Grassley and Senators Chuck Schumer (D-N.Y) and Lindsey Graham (R-S.C.) in the 110th Congress on legislation that more effectively addresses concerns Americans have regarding unfair currency policies of our trading partners.

"The issue is not whether China, Japan, or any other country is branded a 'manipulator'. Rather, the issue is about getting our trading partners to use economic policies that are sustainable, fair, and market-based," said Baucus. **"A new approach is overdue. I will work my colleagues to find that approach and put it to work."**

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